



**September 26, 2002**

**Louis Vinagro, Jr. pleads guilty to filing a false tax return**

**Louis Vinagro, Jr.**, owner of a Johnston waste hauling and recycling firm, pleaded guilty today to filing a false income tax return, admitting that he failed to report approximately \$500,000 in income on his 1995 return.

United States Attorney Margaret E. Curran announced the guilty plea, which Vinagro entered today before Chief U.S. District Court Judge Ernest C. Torres in U.S. District Court, Providence. Vinagro, 50, of 20 Green Hill Road, Johnston, is scheduled to be sentenced on January 10 and is being held at the Wyatt Federal Detention Center, Central Falls in lieu of \$10,000 bond.

**\$500,000 in cash payments**

At the plea hearing, Assistant U.S. Attorney Andrew J. Reich said that, in 1995 Vinagro's company, New England Ecological Development, Inc., collected a "substantial amount of cash payments," totaling approximately \$500,000, from a Massachusetts company. Reich said that Vinagro willfully failed to report this income on his 1995 Individual Income Tax Return. NEED is a corporation that is wholly owned by Vinagro and all of the company's income goes to him.

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Assistant U.S. Attorney Reich said that the government has estimated a tax loss of \$70,000 because of Vinagro's failure to report that income on his return.

The terms of a plea agreement with Vinagro call for the government to recommend a prison term of one year. Vinagro's sentence will be determined on the basis of federal sentencing guidelines, which take into account such factors as the specific nature and impact of an offense and a defendant's criminal background. The statutory maximum penalty for filing a false income tax return is three years in prison and a fine of \$250,000.

The case was investigated by the Internal Revenue Service, Criminal Investigations and is being prosecuted by Assistant U.S. Attorney Reich.

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**The U.S. Attorney's Web site is at <http://www.usdoj.gov/usao/ri/>**